



General Assembly

***Substitute Bill No. 5543***

*February Session, 2000*

***An Act Concerning State Employees.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. Section 5-165 of the general statutes is repealed and the  
2       following is substituted in lieu thereof:

3       (a) A member may elect one of the following optional forms for  
4       retirement income by filing with the Retirement Commission a written  
5       election on a form provided by the commission. A member who has  
6       been married at least one year shall be presumed to have elected the  
7       option provided in subdivision (1) of this subsection unless a contrary  
8       election is made by the member. All other members will be presumed  
9       to elect the option provided in subdivision (4) of this subsection unless  
10      a contrary election is made by the member. Any election or change of  
11      election must be filed before retirement income payments begin. No  
12      option shall be effective until a member has retired, and in the event a  
13      member dies prior to the effective date of commencement of benefits,  
14      any election of an option shall be deemed cancelled except as provided  
15      in subsection (c) of section 5-165a. The amount of income that will be  
16      paid under the options will be determined by multiplying the  
17      retirement income otherwise applicable by the actuarially equivalent  
18      option factors last adopted by the Retirement Commission. Beginning  
19      with October 1, 1982, but only with regard to benefits payable on  
20      behalf of members whose benefits have not yet commenced, such  
21      factors shall not differentiate by sex of the member, or the member's

22 spouse or contingent annuitant. The initial factors shall employ the  
23 interest rate and mortality table assumptions utilized for the December  
24 31, 1980, valuation, with the factors assuming sixty per cent male and  
25 forty per cent female for members, and sixty per cent female and forty  
26 per cent male for spouses and contingent annuitants. The cost-of-living  
27 adjustment under section 5-162d shall be assumed to be three per cent.  
28 The factors shall not take into account the cost of providing the  
29 surviving spouse benefit under section 5-165a. The factors may be  
30 periodically adjusted upward or downward by the Retirement  
31 Commission to reflect changing interest, mortality or election of option  
32 patterns provided that they shall be reviewed and adjusted by January  
33 1, 1985. Any such changes shall apply only to members whose benefits  
34 commence after the effective date of adoption of such factors. The  
35 retirement income options are as follows:

36 (1) A reduced amount payable to the member for [his] the member's  
37 lifetime, with the provision that after [his] the member's death [his] the  
38 member's spouse, if surviving, shall be entitled to receive a lifetime  
39 income equal to fifty per cent of the reduced monthly amount payable  
40 to the member;

41 (2) A reduced amount payable to the member for [his] the member's  
42 lifetime, with the provision that after [his] the member's death, [his]  
43 the member's contingent annuitant shall be entitled to receive a  
44 lifetime income equal to either fifty or one hundred per cent of the  
45 reduced amount payable to the member;

46 (3) A reduced amount payable to the member for [his] the member's  
47 lifetime, with the provision that if [he shall die] the member dies  
48 within either a ten or twenty-year period following the date [his] the  
49 member's retirement income commences, whichever is selected by the  
50 member, the reduced amount continues to [his] the member's  
51 contingent annuitant for the balance of the ten or twenty-year period;  
52 or

53 (4) An amount payable to the member for [his] the member's

54 lifetime, with no payments continuing after the member's death,  
55 except for a lump sum death benefit as provided in subsection (b) of  
56 section 5-168.

57 (b) Notwithstanding the provisions of subsection (a), a temporary  
58 minimum shall apply whenever the Retirement Commission adopts  
59 revised factors which could result in a smaller benefit to a member  
60 than would have been payable under the previously existing factors.  
61 Such minimum shall be determined as follows: (1) The benefit the  
62 member had earned as of the date of the change in factors shall be  
63 calculated, based on [his] the member's final earnings and service as of  
64 that date; (2) any early retirement reduction in such benefit shall be  
65 based upon [his] the member's age as determined on the date benefits  
66 will commence, and [his] the member's type of retirement; and (3) the  
67 option factor shall be determined utilizing the factors in effect prior to  
68 such change, but based on appropriate ages as of the date benefits will  
69 commence. If such minimum results in a larger benefit the larger  
70 benefit shall be payable.

71 (c) If the spouse of a member who has elected to receive retirement  
72 benefits under subdivision (1) of subsection (a) of this section dies, the  
73 member shall be allowed to designate another spouse to receive the  
74 member's surviving spouse benefit, provided such designation does  
75 not conflict with a court order. If a member chooses to designate  
76 another spouse, such spouse shall be entitled to receive the benefits  
77 provided under said subdivision (1) on an actuarial reserve basis.

78 Sec. 2. Section 5-192q of the general statutes is repealed and the  
79 following is substituted in lieu thereof:

80 (a) A member of tier II may elect one of the following optional forms  
81 for retirement income by filing with the Retirement Commission a  
82 written election on a form provided by the commission. A member  
83 who has been married at least one year will be presumed to elect the  
84 option offered under subdivision (1) of this subsection unless a  
85 contrary election is made by the member. All other members will be

86 presumed to elect the option offered under subdivision (4) of this  
87 subsection unless a contrary election is made by the member. Any  
88 election or change of election must be filed before retirement income  
89 payments begin. No option shall be effective until a member has  
90 retired, and in the event a member dies prior to the date benefits  
91 would have commenced, any election of an option shall be deemed  
92 cancelled except as provided in subsection (c) of section 5-192r. The  
93 amount of income that will be paid under the options will be  
94 determined by multiplying the retirement income as determined under  
95 sections 5-192l to 5-192p, inclusive, as applicable, by the actuarially  
96 equivalent option factors last adopted by the Retirement Commission.  
97 Such factors shall be identical to those provided under section 5-165  
98 unless the Retirement Commission shall determine otherwise. The  
99 factors may be periodically adjusted upward or downward by the  
100 Retirement Commission to reflect changing interest, mortality, or  
101 election of option patterns, provided that they shall be reviewed and  
102 adjusted by January 1, 1985. Any such changes shall apply only to  
103 members whose benefits commence after the effective date of adoption  
104 of such factors. The retirement options are as follows: (1) A reduced  
105 amount payable to the member for [his] the member's lifetime, with  
106 the provision that after [his] the member's death [his] the member's  
107 spouse, if surviving, shall be entitled to receive a lifetime income equal  
108 to fifty per cent of the reduced monthly amount payable to the  
109 member; (2) a reduced amount payable to the member for [his] the  
110 member's lifetime, with the provision that after [his] the member's  
111 death, [his] the member's contingent annuitant shall be entitled to  
112 receive a lifetime income equal to either fifty or one hundred per cent  
113 of the reduced amount payable to the member; (3) a reduced amount  
114 payable to the member for [his] the member's lifetime, with the  
115 provision that if [he] the member dies shall die within either a ten or  
116 twenty-year period following the date [his] the member's retirement  
117 income commences, whichever is selected by the member, the reduced  
118 amount continues to [his] the member's contingent annuitant for the  
119 balance of the ten or twenty-year period, respectively; or (4) an amount  
120 payable to the member for [his] the member's lifetime, with no

121 payments continuing after the member's death.

122 (b) Notwithstanding the provisions of subsection (a) of this section,  
123 a temporary minimum shall apply whenever the Retirement  
124 Commission adopts revised factors which could result in a smaller  
125 benefit to a member than would have been payable under the  
126 previously existing factors. Such minimum shall be determined as  
127 follows: (1) The benefit the member had earned as of the date of the  
128 change in factors shall be calculated, based on [his] the member's final  
129 average earnings and credited service or based on [his] the member's  
130 vesting service as of that date; (2) any early retirement reduction in  
131 such benefit shall be based upon [his] the member's age as determined  
132 on the date benefits will commence, and [his] the member's type of  
133 retirement; and (3) the option factor shall be determined utilizing the  
134 factors in effect prior to such change, but based on appropriate ages as  
135 of the date benefits will commence. If such minimum results in a larger  
136 benefit, the larger benefit shall be payable.

137 (c) If the spouse of a member who has elected to receive retirement  
138 benefits under subdivision (1) of subsection (a) of this section dies, the  
139 member shall be allowed to designate another spouse to receive the  
140 member's surviving spouse benefit, provided such designation does  
141 not conflict with a court order. If a member chooses to designate  
142 another spouse, such spouse shall be entitled to receive the benefits  
143 provided under said subdivision (1) on an actuarial reserve basis.

144 Sec. 3. Subsection (a) of section 5-175 of the general statutes is  
145 repealed and the following is substituted in lieu thereof:

146 (a) Employees of each of the following-named private corporations,  
147 herein called state-aided institutions, shall be covered by the  
148 retirement system: The American School at Hartford for the Deaf, The  
149 Connecticut Institute for the Blind, [and] Newington Children's  
150 Hospital and The Children's Center, Inc., provided an employee of The  
151 Children's Center, Inc. shall only be covered by the retirement system  
152 if (1) the employee was employed by said center as of July 1, 2000, and

153 (2) the employee's date of hire precedes January 1, 1993.

154 Sec. 4. Section 5-181a of the general statutes is repealed and the  
155 following is substituted in lieu thereof:

156 Notwithstanding the provisions of section 5-175b, a member of the  
157 state employees retirement system who has been in the active full-time  
158 employment of the United States federal government for some past  
159 period or periods for which [he] such member has received or will  
160 receive no retirement benefit or pension and for which [he] such  
161 member is not eligible to obtain credit for retirement purposes under  
162 any section of this chapter may receive credit for such period or  
163 periods, not to exceed ten years in the aggregate, by making  
164 contributions to the State Employees Retirement Fund, for each year of  
165 such prior service, equal to two, or five per cent of [his] such member's  
166 federal salary, as appropriate for plan membership, for the period of  
167 such federal service, plus interest thereon at the rate of five per cent  
168 per year from the time such service was rendered to date of payment.  
169 Such payment may be made by payroll deductions as determined by  
170 the Retirement Commission over a period not to exceed twenty-four  
171 months, and such instalments shall include interest at five per cent per  
172 year. No service credit shall be granted unless payment of all  
173 contributions and interest is completed, and then not more than one  
174 year of federal service shall be counted for each two years of  
175 Connecticut state service. As used in this section, "federal service"  
176 includes service as a member of the United States Peace Corps.

177 Sec. 5. Subsection (a) of section 5-249 of the general statutes is  
178 repealed and the following is substituted in lieu thereof:

179 (a) Any state employee who is an active volunteer firefighter or  
180 member of a volunteer ambulance service or company [may, with the  
181 authorization of his appointing authority, be permitted to respond]  
182 shall be entitled to receive full pay for time spent responding to fire  
183 calls or ambulance calls during [his] such employee's regular hours of  
184 employment without loss of [pay,] vacation time, sick leave or earned

185 overtime accumulation, provided the employee receives prior  
186 authorization to respond to such calls from the employee's appointing  
187 authority.

188       Sec. 6. (NEW) Notwithstanding any provision of chapter 66 of the  
189 general statutes, any former member of the state employees retirement  
190 system who (1) was previously employed by the state, (2) left state  
191 service for a period longer than the tenure of their employment with  
192 the state, and (3) is employed by the state as of the effective date of this  
193 act, shall be entitled to retirement credit for such earlier period of  
194 service, provided such member applies to the Retirement Commission  
195 for such credited service. Not later than one year after the effective  
196 date of this act shall any such member who is a member of tier I be  
197 entitled to return withdrawn contributions and interest paid on such  
198 contributions under section 5-167 of the general statutes and purchase  
199 retirement credit for such period by making retirement contributions  
200 for each month of such period in an amount equal to five per cent of  
201 the member's salary rate in effect during such month, plus interest at  
202 the rate of five per cent per year to the date of such purchase. Not later  
203 than one year after the effective date of this act shall any such member  
204 who is a member of tier II apply to the Retirement Commission for  
205 such credited service. Upon the return of such withdrawn  
206 contributions and interest or making application to the Retirement  
207 Commission, as the case may be, the member shall be eligible for  
208 vested retirement income under subsection (a) of section 5-166 of the  
209 general statutes or subsection (a) of section 5-192o of the general  
210 statutes, as applicable, by operation of this section.

***Statement of Legislative Commissioners:***

In section 6, the statutory reference to section 5-167b was changed to section 5-167 for accuracy.

**LAB   Committee Vote:**   Yea   11   Nay   2   JFS   C/R   APP